


LGA Corporate Peer Challenge

Sheffield City Council

22nd – 25th November 2022

Feedback report





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1. Executive summary

Sheffield has a rich industrial heritage that served it well during the 18th, 19th and much of the 20th century. This legacy and tradition of hard work and enterprise should give Sheffield a powerful platform to become the 21st century city that it aspires to be. As the fourth biggest city in England with a diverse population of over half a million, enviable green spaces and a great location at the heart of the country, it has some big strategic advantages and unique natural assets to draw upon.

There are many strengths and positives within the Council to build on. There is a strong affinity to the place among both elected members and officers and there are some well performing services in some critical areas (as well as some that are not yet performing as well as they should). Recent changes of leadership at political and managerial levels are viewed positively by staff and partners. This came across loud and clear and the common interest among stakeholders to transform the city and the Council to become modern, consistently high performing and forward-looking is clear. This has raised expectations for transformational change that the Council needs to follow through on.

The Council has recently embarked on an improvement journey to transform the organisation and position it to better respond to the needs of the city and its citizens. It has started the process of developing a long-term vision for the city through a set of 'City Goals' and has developed six strategic goals for the organisation to give it a new direction, which are being delivered through the 'Sheffield Delivery Plan 2022/23'.

All these positives provide a huge opportunity to set a new direction and a fresh strategic template for its future success and prosperity. However, to do this the Council needs to be less risk averse and let the future, and not the past, define its place in the world. This means letting go of things that have not worked so well and outlining clearly, with its communities, where and what it aspires to be in the future.

There has not been a corporate plan or a long-term strategic vision in place since 2018 though the Council has now taken early steps to address this through the One Year Plan in 2021/22 and the Delivery Plan in 2022/23. Nevertheless, the absence of a cohesive long-term strategic vision and direction for the city and the Council risks

reinforcing a sense of insularity and constraining the ability of the organisation to provide bold and confident place leadership. An aspirational and forward-looking city-wide strategic vision backed up with a compelling shared narrative that injects confidence and positivity among elected members, staff, partners, and citizens is needed.

This city vision should be supported by a comprehensive council corporate plan with a clear set of priorities for the Council. It should also articulate a bold organisational development and transformation plan to enable the Council to become a fit for the future organisation that has capacity and capability to lead the delivery of the city vision and provide strong place leadership.

The Council has rightly acknowledged that a medium and longer-term vision and priorities for both the city and the Council will provide a basis for engaging with citizens, collaborating with partners, promoting the inclusive growth of Sheffield, and spearheading the continued transformation of the organisation. The work it has already started on City Goals, the Local Plan, and the six strategic goals are critical elements of this which need progressing at pace.

There is potential in Sheffield for clean inclusive growth that can support new skills, jobs and business opportunities. To realise this potential there needs to be an unrelenting focus and commitment to maximising the potential of all sections of the local population, strengthening and maximising partnership working and exercising bold and influential place leadership at local, regional and national levels. By adopting a more collaborative approach and building an ethos of 'Team Sheffield' to help develop, promote and deliver the shared ambitions and inclusive growth, the Council can promote the city more positively to the outside world, better influence regional decision making, and attract greater levels of inward investment.

Following the governance referendum in 2021 significant changes to the Council's governance arrangements have been implemented. This has included the introduction of a committee system of governance which built on the Local Area Committees (LACs). The Council recognises the need to further embed the new model of governance. This includes more work to ensure understanding, to develop the culture and behaviours that support the effective operation of the committee system and decision-making in a no overall control context, and to clarify the purpose

of the LACs and their role in community engagement, involvement and empowerment.

The Council has exercised prudent financial management to date. However, the heavy reliance on reserves in recent years and significant future savings requirements does present a potential risk and will need robust management and delivery. The Council is developing a plan to address this and in doing so should not let complacency creep in or underestimate the challenge.

2. Key recommendations

There are several observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the Council:

2.1. Recommendation 1

Build on the commitment and willingness of local partners to develop the place vision and City Goals so that they are co-owned and have clear lines of responsibility and accountability for delivery - with the Council as one partner albeit with a leading role.

This will provide an opportunity for deep engagement with the local community, help build a 'Team Sheffield' ethos and inform thinking about refreshed partnership structures to make an impact.

2.2 Recommendation 2

Continue to embed the newly formed organisational values through the development and delivery of a new corporate plan and engage the workforce in the development of the vision for the city and Council.

This will be a good way of engaging with the workforce in a completely different and authentic way to help to strengthen communication lines in the Council, facilitate more cross-organisational working and embed the desired organisational culture.

2.3 Recommendation 3

Continue at pace with the work that has been started to develop the vision, narrative and strategic priorities for the Council and the city - building on the City Goals, the Local Plan and the emerging Corporate Plan.

Getting these basics in place will provide the Council with the strategic framework for engaging with citizens, collaborating with partners, fuelling the inclusive growth of Sheffield, facilitating the transformation of the organisation, and enable everybody to better understand their place and role in delivering for Sheffield.

2.4 Recommendation 4

Expand the thinking and vision around the regeneration of the city so that it goes beyond economic development to also include climate, public health, a skilled and enterprising population, and community empowerment – with a particular focus on inclusive clean growth to help bring coherence.

This will help to connect the physical regeneration of ‘place’ with the social and economic needs of ‘people’ to help create greater social value and demonstrate the tangible impact the investments are making on improving the quality of life of residents.

2.5 Recommendation 5

Use the 6-month review of governance to determine further work that is needed to enable the effective implementation and operation of the committee system and ensure:

- a) Wide understanding of how the committee system works*
- b) Clarity through processes and protocols on how business is transacted, and decisions made in a no overall control context*
- c) The right behaviours and culture are fostered to enable the effective operation of the new system of decision making within Sheffield’s political context*

This will help to facilitate better understanding and separate out the two issues of operating within the committee system of governance and decision-making when no political party has an overall majority.

2.6 Recommendation 6

Build a comprehensive community engagement, involvement and empowerment programme with the LACs and neighbourhood working at its heart; and develop an approach that enables culture change and improves relationships with the VCF

sector.

This provides an opportunity for the Council to ensure its services can respond effectively and in a joined-up way to the needs of different communities and neighbourhoods. It will also provide an opportunity to develop a partnership approach with the VCF sector to boost capacity and work on issues around prevention, early intervention and around some of the current challenges resulting from the cost-of-living-crisis.

2.7 Recommendation 7

Align organisational development and transformation, corporate resources, organisational capacity, workforce development and performance management to the new corporate plan.

This will strengthen the link between policy and delivery and provide a clear corporate line of sight on what is desired, how resources are being deployed, what is being achieved and how the organisation is feeling.

2.8 Recommendation 8

Implement the recommendations of the Race Equality Commission and rapidly strengthen the culture and commitment of the organisation on equalities, diversity and inclusion with consistent and coordinated senior political and officer leadership to bring about measurable improvements.

This is important for a diverse city like Sheffield and is non-negotiable. The city benefits from a diverse population with the potential to make significant contributions to its future prosperity, as well as the effective and efficient workings of the Council, and this capacity and capability must be utilised in the most effective way.

2.9 Recommendation 9

Continue to develop the strategy to balance the budget without the use of reserves by the end of 2023/24, backed up by tight financial control and mitigation of adverse issues. Ensure the budget strategy follows the priorities of the corporate plan and that there is robust challenge and scrutiny at a corporate and political level to make sure savings are delivered.

This will help to ensure the Council moves forward on a secure financial footing and is able to deliver the ambitions it has for the city and the transformations that are needed within the Council.

2.10 Recommendation 10

Continually revisit financial assumptions and due diligence of the business cases relating to major projects.

This will help to mitigate against financial risks associated with big capital projects during times of changes in global markets, rising inflation, and the cost-of-living crises. Financial scenario planning and due diligence now will help the Council in the long run.

3 Summary of the peer challenge approach

3.1 The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- **Deborah Cadman OBE** (Chief Executive, Birmingham City Council)
- **Councillor Eamonn O'Brien** (Leader of the Council, Bury Council)
- **Councillor Howard Sykes MBE** (Leader of the Liberal Democrat Group, Oldham Council)
- **Emily Morrison** (Head of the Institute for Community Studies, The Young Foundation)
- **John Turnbull** (Strategic Director - Finance & Governance [S151 Officer], London Borough of Waltham Forest)
- **Kathryn Rees** (Director of Strategy, Stockport Metropolitan Borough Council)
- **Lauren McCann** (General Counsel and Monitoring Officer, The Royal Borough of Kingston Upon Thames)
- **Paul Clarke** (Director of Programmes, Performance and Improvement, Birmingham City Council)

- **Satvinder Rana** (Senior Regional Adviser, Local Government Association)

3.2 Scope and focus

The peer team considered the following five themes which form the core components of all Corporate Peer Challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

In addition to these questions, the Council asked the peer team to provide feedback on *'how impactful the steps taken by the Council to improve community engagement, involvement and empowerment are? What improvements can be made?'*

3.3 The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The

team then spent four days onsite at Sheffield City Council, during which they:

- Gathered information and views from over 50 meetings, in addition to further research and reading.
- Spoke to over 170 people including a range of council staff together with elected members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and elected members.

3 Feedback

4.1 Local priorities and outcomes

The Council's long-term vision for Sheffield and the outcomes it wants to achieve are being developed. It is engaging partners and has plans in place to engage citizens to produce a new set of 'City Goals'. The Council has also developed six strategic goals for the organisation which are being delivered through the 'Sheffield Delivery Plan 2022/23' and has embarked on a four-year improvement journey to '*stabilise, embed, grow and flourish*' the organisation. However, it is still early days for these to provide a long-term strategic framework for how the Council defines, enables, influences and delivers its core objectives. Currently there are disparate visions across directorates and the city, and these are potentially pulling resources and capacity in different directions. A focus on 'inclusive clean growth' could help bring greater coherence.

As engagement and work continues to develop the longer-term priorities, the Council will need to ensure it clearly distinguishes between the development of a much-needed coherent *place vision* and a clear set of priorities for the city (the 'City Goals'); and the development of the corporate plan with a clear set of priorities, which should spell out the Council's contribution to the delivery of the *place vision*. This will help to bring greater consistency in the organisation.

Sheffield is a large and diverse place and there are a number of key stakeholders and organisations that will have a legitimate role and responsibility in delivering (or helping to deliver) the *place vision* and the 'City Goals'. Whilst the *place vision* and the 'City Goals' are being developed with local partners, it will be essential for local partners to own these and have clear lines of responsibility for delivery. The Council

cannot deliver everything by itself, and therefore its operating approach will need to engage strategic partners to build an ethos of 'Team Sheffield' – where the Council will be one partner in conjunction with the Anchor institutions network, the Voluntary, Community and Faith (VCF) sector, the health and care sector, and the private and business sector.

Developing the ethos of 'Team Sheffield' does not necessarily mean setting up a new forum or another organisation but fostering a sense of 'oneness' with everybody pulling together around an agreed agenda for the city. The Council will be pushing at an open door as there is real appetite, willingness and clear expectation from all external partners spoken to for the Council to engage and involve them in delivering for Sheffield. They are willing to play a bigger part in elevating Sheffield and are keen for the Council to lead in that space.

Developing a shared *place vision* through a strong story and narrative about the future of Sheffield and communicating this through clear and consistent messaging, engagement and communication with residents, businesses, and strategic partners will help to consolidate the Council's place leadership role and secure both awareness and sustained buy-in to its ambitions and priorities. This will mean promoting, sharing and agreeing with key stakeholders how the city is being developed, the kind of economy it wants to foster, and the outcomes people can expect to see in the short, medium, and long terms.

In addition, the delivery of the 'City Goals' and resulting *place vision* will need a clear governance 'home' that has both council and partner membership and long-term community involvement to deliver lasting impact. This may mean critically evaluating current partnership structures to ensure they are fit for the future.

The strategic priorities for the *place vision* and the corporate plan should then align existing resources and capacity and build a framework to attract inward investments and additional funding. This will call for a clear strategy on how the Council will attract additional funding and investment into the city as well as the City Council. This, together with an acquisition and investment strategy, should be a priority for the new City Futures portfolio that was created in Spring 2022.

The current one-year delivery plan has supported good working including an aligned performance management framework and reporting. There is recognition within the

Council that this now needs to be expanded and continued as part of the development of its new corporate plan. Strengthening outcome targets and performance measures against ambitions will help demonstrate how the vision, priorities and projects are delivering real outcomes for local communities. It will also mean demonstrating how the investments being made are translating into local areas and into the lives of local communities through easy to digest performance data which elected members, partners and residents can readily access, understand and see the difference the Council is making.

4.2 Organisational and place leadership

There is clear passion and desire to deliver for Sheffield among elected members, officers, staff and partners. This came across strongly through the discussions the peer team had with the people they spoke to. This is an asset and one that should be recognised, celebrated and used to drive forward the vision for the city and the priorities of the Council.

The Chief Executive is assembling a new leadership team and building clear officer leadership capacity in the Council. This is an opportunity to develop a consistent approach to change and transformation to help deliver the new ambitions for the organisation. The leadership team is the conduit through which key messages about the priorities of the Council, its values and approaches will need to be communicated into the organisation and among partner organisations. It will also be the key mechanism through which conditions will need to be created to facilitate the delivery of the *place vision* and priorities for the Council and the city to succeed. It is therefore essential for the leadership team to model and demonstrate the values and behaviours that the Council has agreed upon.

Strong place leadership for a core city such as Sheffield is essential. There is a powerful story to be told not just about Sheffield's history and heritage but about the present and future which injects a sense of belonging and aspiration. This is currently missing not only in documentation but also in people's conversations. Establishing a strong place identity, self-belief and confidence that is articulated through a shared vision and turning that into a powerful and punchy elevator pitch capturing the ambitions for the future development of the city is critical for Sheffield.

Progress towards the adoption of the Local Plan and the development of 'City Goals'

are opportunities to promote and start the conversation around this. The City of Sheffield is important to the prosperity of the region and ultimately the country; and people should think, act and talk with that in mind. Having a compelling story, backed up with an investment strategy, that they can articulate with pride to 'sell' Sheffield to the outside world will be essential to its success.

There are ambitious and impressive regeneration schemes in place, such as the Heart of the City 2 project and various other residential, retail, business, and transport schemes. The Council has been successful in securing two Levelling Up Fund bids. All these interventions can act as a magnet for further inclusive growth through the development of innovative partnerships arrangements, including with the private sector.

Embracing the private and business sector is critical in attracting more private sector investment to help deliver the physical and economic regeneration that has begun in Sheffield. Going forward, it will be important to ensure that:

- a) the right type of investment and the right type of partners (i.e. those who are aligned with the overall vision and ambitions for the city) are attracted; and
- b) success in regenerating the place is linked to the wider social and environmental objectives of the Council such as tackling the challenges of deprivation, health and social inequality and climate change.

By making a strong and visible connection between the regeneration of the 'place' to meet the needs of the 'people' the Council can create greater social value and demonstrate the tangible impact it is making on improving the quality of life of residents. For example, investments in skills development, employment support, local and sustainable procurement, focused planning policies, etc should complement the investment and opportunities being created through the new buildings and office spaces in the city centre. Enabling local people to connect into those opportunities through clear pathways to new skills, jobs and business opportunities will ensure local jobs and business opportunities are more likely to be better accessible to local people.

To do this, Sheffield should step up and embrace its leading role as a core city to deliver on the potential of the South Yorkshire Mayoral Combined Authority (SYMCA) for the city and region. This calls for the Council to strengthen its role and

engagement and align its ambitions with those of the region so that it can deliver on the skills, employment support and business development agenda in partnership with SYMCA. This kind of alignment can help to both influence investment decisions and position the city to benefit from them. There is a lot of potential in the region and Sheffield's ambitions and interests should feature widely in debates, discussions and decisions around investments and funding allocations from regional and national bodies.

Whilst the Council delivers a good standard of core services and is performing at around average in many areas in comparison to all English single tier local authorities, there are areas where performance and the quality of services provided needs to improve as a matter of urgency, for example, customer services, housing repairs, homelessness, SEND, etc. The Council has identified these areas for rapid improvement within its Delivery Plan. There are also some high performing services, particularly social care services for children and adult, and the Council should be rightly proud of these. The OFSTED Inspection of children's social care services in July 2019 determined Children's services in Sheffield to be 'Good'. An OFSTED focused visit to Sheffield children's services in October 2022 determined that: *"There is strong corporate and political support for children's services and a commitment to 'doing the right thing' for children in the city."*

4.3 Governance and culture

In May 2021 the Council became no overall control. At the same time a governance referendum, following a successful petition signed by over 5% of the city's voters, required the Council to change its decision-making model from the Leader and Cabinet model to a committee system. The new Constitution was implemented at the Annual General Meeting of the Council in May 2022. Since then, the Council has implemented the committee system of governance consisting of eight policy committees with proportionate political representation, building on the seven Local Area Committees (each one made up of four wards) implemented in Spring 2021.

The move to the committee system was implemented successfully even though it represented a fundamental new way of working for elected members and staff at Sheffield. Inevitably there are teething problems in making a new system work to enable timely and quality decisions to be made. The Council is aware the new

system needs to be further developed and embedded within the organisation and a six-month review of the arrangements is underway. The review provides an opportunity to address current confusion and frustrations across the Council about where and how difficult decisions are made.

The peer team's observations are that some of the issues causing frustrations are more to do with operating in a no overall control context and these are being confused and conflated with the operation of the committee system. The absence of clear processes and protocols informing how business is transacted and decisions made when no overall political party has a majority is adding to the confusion and frustrations. The Council should therefore develop clear processes and protocols about how business is transacted, and decisions made (both formally and informally) when no political party has a majority, in addition to clear guidance on how committee systems work. The Local Government Association can support the Council in this work.

This will need to be complemented with work to develop the required culture and behaviour to enable the system to deliver effective governance. Any resulting guidelines and training should be produced in partnership with elected members, setting out how officers and elected members will work together to build confidence in the new arrangements and to support the committees to deliver decisions and ensure an element of consistency. As part of this, the Council needs to think through where effective scrutiny and challenge in the system comes from and the process through which elected members scrutinise public services on behalf of residents.

Similarly, the purpose, role, and decision-making powers of Local Area Committees (LACs) need to be agreed and widely communicated to bring clarity in the system. At present there is a question about whether the LACs are considered part of the democratic decision-making process or a form of community engagement, or whether they are intended to do elements of both. If the latter is what is intended, then the balance between the two objectives needs to be agreed and more clearly set out and communicated.

The Council has established a core set of values for the organisation through an impressive range of activities to engage and involve staff. These values now need to set the framework for a new organisational culture that should be embraced by all. At

times the Council seems to be straddling between the old ways of working and the new ways – this is because people sometimes revert to familiar and safe territory when under pressure or when things are not clear. Bringing more clarity to the long-term plans of the organisation, setting out clearly how officers and elected members work together around formal decision making, and investing in new ways of working will help to reset and modernise the Council into a more cohesive unit with a clear sense of purpose and direction. The peer team picked up a real desire among people to make the new governance system work and for the Council to succeed.

The Council has started to develop new officer governance arrangements and a three-board leadership structure (Strategy, Our Sheffield, Performance and Delivery). The model provides an opportunity for increasing leadership capacity and empowerment in the organisation, but they are not fully embedded or functioning as intended yet. It was not clear how the interdependencies across the Boards (which have different memberships) are co-ordinated and managed. There is potential for these boards, Our Sheffield Board in particular, to drive forward transformation and improvements within the organisation with board members leading on and visibly championing corporate and cross-council initiatives and projects. Change and transformation needs to happen at pace and all the officer boards can help to deliver this – *“change takes a lot of time in Sheffield and then people lose interest”, “things are often left in limbo”, “ownership is missing so people disengage from the process”*.

The increased focus on internal communication and engagement has been welcomed by the workforce, but more needs to be done. The process of collaboration used recently to develop the values has been appreciated and should be used more broadly. There was a lot of buy-in to the method used to develop the values of the organisation and this provides an opportunity to replicate the approach to developing the Council’s corporate plan and the organisational development and transformation plan. The approach to change should be led and modelled by the corporate leadership team and empower middle managers to deliver change within their service areas – their leadership and ownership of change will be critical in ensuring long-lasting cultural shift.

The culture and commitment of the organisation on equalities and diversity must be strengthened rapidly with consistent and coordinated senior leadership to bring about measurable improvements and impact. This is important for a diverse city like

Sheffield and is non-negotiable. Although the Council has done a lot of work on this over recent years, real measurable impact has not materialised and some of the shortfalls flagged up by the recent Race Equality Commission need to be followed through with pace and relentless focus. Going forward it is paramount that equalities and diversity objectives are visible and recognisable components of the Council's organisational development and transformation plan; and that they are backed up with measurable targets to enable people to see how much progress is being made and what else needs to be done to maximise the potential of all sections of the workforce and community. As part of this work the Council may need to go back to the basics and regain the trust and confidence of staff and communities and work with them to develop a fresh approach to achieving the desired outcomes.

4.4 Financial planning and management

The financial forecast for 2023-24, as reported in September 2022, identified £80m of budget pressures. There has been a significant effort across the Council to identify options to resolve the budget gap, but the implementation will be crucial. Clearly, like all councils there has been a continual need to reduce budgets and manage pressures for more than a decade and therefore achieving savings in the future will not be an easy task.

The Council enters a challenging financial period of change with relatively resilient finances in terms of reserves. This should help the Council move its financial position to where it needs to be in the short term. The Council will appreciate reserves can only be spent once - so it is important that it uses them wisely.

The Council has a gap of around £53m for 2023/24, following an overspend of £20m last year and with a predicted £22m overspend this year. Furthermore, there are significant financial pressures ahead including growth in the demand for services, impact of inflation, changes in government funding, and the Council's changing priorities and ambitions as it develops its strategic plan. All that will come at a cost which needs to be planned for now.

There has been a significant, but planned, use of reserves over a short period of time to manage the budget. It had earmarked £70m reserves to support its budget position and has used £20m of this to fund overspend in 2021/22, £15m to set a balanced budget for 2022/23 and is expecting to use another £19m to fund its

2022/23 overspend. This leaves £16m to cover the 2023/24 budget without drawing on the risk reserves. The Council acknowledges the use of reserves as a strategy to balance the budget is not sustainable going forward and has started its planning earlier in the cycle than normal. This is commendable and should increase the chances of success.

A new strategy must be agreed on how the Council will finance its operations in the medium to long term, as part of its Medium Term Financial Plan. The strategy must include the delivery of significant savings – which is no different to what many other councils are having to do – but the delivery of savings at the scale and pace required in Sheffield will be challenging and any approach adopted will be untested. Budget management complacency must therefore be avoided, and financial prudence continued to be exercised moving forward.

There are several significant capital projects that will inherently contain financial risk as the global markets change, as inflation takes hold, and as the recession really begins to have an impact. This will require the Council to exercise due diligence on the financial risks with these projects and carry out scenario planning by asking fundamental questions around the ‘what ifs’.

Going forward, the Council should develop financial planning to incorporate priority budgeting so that it is seen as a priority-led and policy-led organisation and not just a budget-led organisation. However, it will be important to strike a balance between the two approaches. Adhering to the current plans must be used as a platform for shifting resources towards the new priorities emerging as the strategic plan develops.

4.5 Capacity for improvement

The Council is evidently on an improvement journey with ambitions to transform itself into a ‘flourishing organisation’ that is driving city-wide outcomes, empowering communities and consistently delivering effective services. It has articulated four phases of transformation which communicates a clear pathway to get to a position where it desires to be. However, organisational change and transformation will only be successful if there is clarity of purpose and direction and organisational-wide buy-in to it. This clarity and buy-in is not visible consistently across the organisation at present but is essential in making an impact – *“not everyone in the organisation is yet aligned to the same vision and priorities”*.

There is a lot of work to be done to develop and modernise the Council through consistent policies, processes and a culture that allows it to act and operate as one organisation. The peer team heard about dissatisfactions among employees about what they felt was *'unequal treatment in the application of policies such as flexible working, lack of training and development opportunities for progression, high levels of silo working, slow decision-making, and personal agenda driven activities.'* There appears to be a shortage of human resource capacity and an absence of a workforce strategy to service an organisation the size of Sheffield City Council and this is playing out in the way people are feeling – *"the pillars of the organisation do not exist to hold the organisation up"*.

The Council appears to be lagging in the digital era and there are huge opportunities for it to make better use of available new technologies to drive efficiencies within the organisation, deliver more effective services and improve communications internally and externally. This is 'low hanging fruit' and can be progressed at speed to inject a sense of change in the organisation. There are numerous examples of Councils using technologies creatively and innovatively to draw upon.

Once agreed, the new priorities of the Council will need a systematic process for delivery and a robust corporate performance management framework to track progress. This means underpinning the priorities and actions in the new corporate plan with visible targets, identified resources, and key milestones to track progress. It will be important to align and integrate the performance management framework with the new corporate plan and the budget planning process to enable the Council to move to priority-led budgeting. Furthermore, it will be critical to ensure that the performance management framework provides a clear line of sight on progress to senior management and leading elected members through easy to digest dashboards, as well as providing the right level of information and in the right format to resident, partners, and staff at all levels. The current delivery plan approach, and the performance reporting against it, provides a good basis for this.

To deliver the transformation needed, the Council needs to have sufficient capability and capacity in the right places. This is currently not there at the scale required given the size of the transformation challenge, and the Council should think about bringing in external support and expertise to put the building blocks in place, particularly if it aspires to move at pace and start delivering its ambitions and priorities for the people

of Sheffield.

4.6 Community Engagement, Involvement and Empowerment

Community engagement, involvement and empowerment is important to Sheffield City Council and there is a palpable desire to improve relationships with communities. Local Area Committees (LACs) have been developed as a mechanism to help do this and there is recognition that more work is needed to define their role and purpose.

Whilst LACs are a great structure and provide a good framework for the Council to get closer to the public, they are not going to be enough to deliver community engagement, community involvement or community empowerment in a meaningful way. Furthermore, structures to engage communities of interest are underdeveloped although there are examples of good practice for service-level involvement. All these need to be built upon and developed to enable them to make an impact.

The Voluntary, Community and Faith (VCF) sector welcomed the strengthened relationships that emerged during covid and enjoyed working with the Council to deliver for the community but felt opportunities to build on this had been lost by some parts of the Council. During the peer team's discussions with them they demonstrated a strong appetite to work with the Council to deliver services at the community and neighbourhood levels. This provides an opportunity for the Council to develop a partnership approach with the VCF sector to work on issues around prevention, early intervention and around some of the current challenges resulting from the cost-of-living-crisis.

To build trust and confidence with local people, it is important for the Council to get the basics right e.g. better customer experience through reduced waiting times at the contact centre, timely responses to the public's enquiries and dealing with their complaints in a professional manner. If these basics (which are essential to a better customer experience) are not in place, then the public and their representative/support organisations will not have trust or confidence in the Council to do the big things.

Overall, there is the opportunity to think about community engagement, involvement and empowerment more broadly and build a long-lasting legacy through the delivery

of the City Goals and the development of the *place vision* and corporate plan.

The Council clearly wants to put strong and sustainable arrangements in place to engage, involve and empower communities in a meaningful way. The LAC model has limitations in terms of achieving this, and the Council needs to develop an approach to engaging, involving, and empowering communities that invests more in partnership working so that there is more co-design and co-production of solutions and services with partners - utilising the key strengths of others to lead where appropriate - particularly at community and neighbourhood levels. There is appetite among partners to contribute to this area of work and to the work of the LACs.

5 Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a six-month check-in meeting. This will be a short, facilitated session which creates space for the Council's senior leadership to update peers on its progress against the action plan and discuss next steps.

In the meantime, Mark Edgell, Principal Adviser for East Midlands, Yorkshire & Humber and North-East, is the main contact between Sheffield City Council and the Local Government Association. Mark is available to discuss any further support the Council requires. His contact details are Email: mark.edgell@local.gov.uk Tel: 07747 636 910.



Satvinder Rana
Senior Regional Adviser, LGA

(On behalf of the peer challenge team)

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